



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
[B-34-2020]

Foreign-Trade Zone (FTZ) 102 – St. Louis, Missouri;
Notification of Proposed Production Activity;
H-J Enterprises, Inc./H-J International, Inc.;
(Electrical Transformer Components and Kits)
High Ridge, Missouri

H-J Enterprises, Inc./H-J International, Inc. (H-J) submitted a notification of proposed production activity to the FTZ Board for its facilities in High Ridge, Missouri. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on June 1, 2020.

H-J already has authority to produce electrical transformer components and kits within Subzone 102E. The current request would add finished products and foreign status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt H-J from customs duty payments on the foreign-status materials/components used in export production (estimated 5 percent of production). On its domestic sales, for the foreign-status materials/components noted below and in the existing scope of authority, H-J would be able to choose the duty rates during customs entry procedures that apply to bushing terminals, electrical connectors, electrical leads, electrical contacts, and porcelain insulator kits (insulators, gaskets, nuts, clamps) (duty rate ranges from 2.7% to 3.5%).

H-J would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include: polytetrafluoroethylene (PTFE) tape; epoxy resins; silicone rubber tape; plastic viewing windows for transformer loadbreaks; plastic centering and locking devices for transformer bushings; cork gaskets; paper plugs for transformer bushings; decal transfer labels; nonalloy steel bar; nonalloy steel rod; stainless steel wire; threaded elbows (steel); nipples (steel); threaded couplings (steel); sealing glands (steel); anchors (steel); studs (stainless steel); nuts (steel); threaded fasteners (iron, steel); flat washers (steel); cotter pins (steel); dowel pins (steel); spacers (steel); slugs (steel); helical springs (stainless steel, steel); spring pins (stainless steel, steel); lead springs (stainless steel, steel); stop buttons (steel); isolating switches; relays; disconnect switches; surge arresters; elbow arresters; molded terminal housings; insulated copper wire; insulated electric conductors (for more than 1000 volts) (copper); porcelain line post insulators; epoxy bushing assemblies; silicone insulators; liquid-filled thermometers; thermometers; temperature indicators; winding temperature indicators; thermometer wells (brass); liquid level gauges; pressure gauges; liquid level gauge components (lenses, float shafts, cases of polycarbonate, brass, and aluminum); adapters for electric meters; transport handling measurement sensors; stamped ground pads (steel); bushing caps (steel); shafts (steel); fittings (steel); copper bus bar; copper rod; bronze rod; copper strip; copper tubes; nipples (brass); reducers (brass); plugs (brass); flexible connectors of stranded wire without fittings (copper); flexible connectors of stranded wire with

fittings (copper); spacers (brass); slugs (brass); pressure plates (brass); cast bushing terminals (copper, brass); ground brackets (copper, brass); support straps (copper, brass); lifting lugs (un-plated copper, brass); round aluminum bar; hex aluminum bar; plugs (aluminum); reservoir tanks (aluminum); clamps (aluminum); hangers (aluminum); supports – castings, forgings, stampings of aluminum; machinings (machined shapes or fittings of aluminum); spanner wrenches (steel, stainless steel); circuit breaker tools (steel, stainless steel); sockets for wrenches/tools (steel, stainless steel); vise clamps (aluminum, steel, stainless steel); padlock assemblies (steel, stainless steel); door locks and door lock assemblies (stainless steel, steel); fittings of lock assemblies (steel, aluminum); connectors of lock assemblies (steel, aluminum); door handles (brass); brackets (steel, brass); plates (steel, brass); channels (steel, brass); nameplates (aluminum); fan blades (aluminum); lift hooks (stainless steel); coil winding machines; relays, cylinders and decoilers for coil winding machines; pressure relief valves; sampler valves (copper, brass, steel); gas valves (copper, brass, steel); safety valves; valve bodies (copper, brass, aluminum, steel); housings for valves and cocks (aluminum); seals for valves (aluminum); housings (copper, brass, stainless steel, steel); seals (copper, brass, aluminum, stainless steel, steel); bearing hubs (steel); cam shaft housings (brass); gears (steel); speed changers (steel); crank arms (steel); knuckles (iron, steel); bases (iron, steel); air dehumidifiers; signal lights; circuit breakers for voltage less than 72.5kv; and, circuit breakers for voltage more than 72.5kv (duty rate ranges from duty-free to 9%). The request indicates that copper tubes, aluminum clamps, aluminum machinings (machined shapes or fittings) and round aluminum bars are subject to antidumping/countervailing duty (AD/CVD) orders if imported from China.

The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to the zone in privileged foreign (PF) status (19 CFR 146.41). The request also indicates that certain materials/components are subject to duties under Section 232 of the Trade Expansion Act of 1962 (Section 232) or Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 232 and Section 301 decisions require subject merchandise to be admitted to FTZs in PF status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: June 3, 2020.

Andrew McGilvray,
Executive Secretary.

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